

# STATE OF COLORADO

## COLORADO DEPARTMENT OF HEALTH

*Dedicated to protecting and improving the health and environment of the people of Colorado*

Grand Junction Regional Office  
222 S. 6th Street, Rm. 232  
Grand Junction, CO 81501-2768  
FAX: (303) 248-7198



Roy Romer  
Governor

Patricia A. Nolan, MD, MPH  
Executive Director

# COPY

June 18, 1993

David Sell  
Rico Development Corporation  
1580 Lincoln St., Suite 900  
Denver, CO 80203

Certified Mail: #P 189 604 392

Re: Annual Inspection, Wastewater Treatment Facilities,  
CDPES Permit No. CO-0029793, for Rico Development Corp.,  
Dolores County

Dear Mr. Sell:

Enclosed are your copies of the above report forms for the inspections performed on May 5, 1993. During the inspection, the following items were noted and need to be brought to your attention:

1. The surcharged manhole allowing untreated wastewater to enter the old cyanide heap leach basin may be contaminating groundwater. There are torn sections of this liner indicating it is not fit to hold wastewater. Additionally, the basin water elevation appears constant indicating wastewater is leaving at the same rate that it is entering. This bypass must be eliminated immediately.
2. Discharge Monitoring Reports (DMR's) are due on the 28th day of the month following the reporting period.

This letter is a Notice of Violation of the Colorado Water Quality Control Act. This office must be notified in writing, within 20 days of receipt of this letter, of your course of action to bring this wastewater treatment facility into compliance. Failure to notify this office in the required time limit may result in legal action.

Additionally,

1. Mr. Webster wants to remove sludge from the two upper ponds and place it in the old cyanide heap basin. Prior approval by the Department of Health and the Division of Minerals and Geology is required BEFORE any sludge removal or relocation can occur. Please submit your sludge plan for review.
2. Ponds should have 2 feet of freeboard. Water elevation in the second pond appeared to be very close to overflowing the berm.
3. A "C" Certified operator is required to operate this facility.



Thank you for your time and cooperation. If you have any questions,  
please call me in the Durango office at (303)247-5702.

Sincerely,

James B. Horn  
District Engineer  
Water Quality Control Division

JBH:jbh

cc: Dolores County Sanitarian  
Permits and Enforcement Section, Industrial Unit CDH  
Field Services, CDH  
EPA, Region VIII  
Leslie Simpson (Inspection Report only)  
Sharon Ferdinandsen  
District Engineer  
File

Industrial Wastewater  
Inspection Report

SECTION A: NATIONAL DATA SYSTEM CODING

Trans	Code	CDPS/NPDES	Date	Insp Type	Inspector	Fac Type
5	5	CO-0029793	05/05/93	C	S	2
Fac Eval	BI	QA	County	Operator	Plant Class	
3	Y		17	None	C	

SECTION B: FACILITY DATA

1. Legally Responsible Party: Rico Development Corp.  
Mailing Address: 1580 Lincoln St., Suite 900  
Denver CO 80203000  
Business Phone: (303)837-1580  
Emergency Phone: (303)967-2793  
Legal Representative: David Sell
2. Operating Company: Rico Development Corp.  
Mailing Address: 1580 Lincoln., Suite 900  
Denver CO 80203000  
Business Phone: (303)967-2793  
Emergency Phone: (303)837-1580  
Local Facility Contact: Wayne Webster, Mike Towne
3. Has any of this information changed since the last inspection? N
4. County in which facility is located: Dolores
5. Plant Products: None. This is an inactive mine.  
Present Production Rate: 0  
Design Production Rate: 0  
Raw Materials: Metal ore from portal.

SECTION C: AREAS EVALUATED DURING INSPECTION

6. Briefly describe the process steps used in producing the product.  
Include a process flow diagram and a discussion of chemicals used at the site and their final disposition. State the final disposal of wastewater streams.

There is no production process at this facility. There is a discharge from the St. Louis Portal, which includes flow from the Blaine Tunnel. Part of this wastewater is treated with slaked lime -- the combined treated and untreated wastewater flows into a series of sedimentation ponds, prior to discharge from 002. There was too much snow to get to the Blaine Tunnel to verify that there was no discharge as stated by the operator.

7. What containment does the permittee have for materials used, processed or stored on site?

Slaked lime is stored in a hopper. This is the

Are additional controls necessary? N  
Is the Materials Containment Plan adequate? Y  
If no, explain.

8. Describe the wastewater treatment processes:

Wastewater from the St. Louis Portal goes through a split box. Part is treated with slaked lime and goes into the first sedimentation pond. The untreated wastewater by-passes the first two ponds and then is combined with the wastewater that has been chemically treated. There are 10 ponds in series. A 9" Parshall flume measures flow at discharge point 002 into the Dolores River.

SECTION D: OPERATION/MAINTENANCE:

9. Evaluate the treatment facility. Include in this evaluation a discussion of any operation and maintenance problems:

At the time of inspection, part of the discharge from the splitter box going into pond #1 was flowing out of a surcharged manhole and into what appeared to be the old CN heap leach pond. About half of the flow was going here. This seemed to surprise Mike Towne and Wayne Webster. They said they would correct the problem A.S.A.P. Additionally, Pond #2 seemed to be too high, i.e. not enough freeboard. Mike said he would correct this by removing a stack board.

10. How are solid wastes disposed? Could this disposal practice affect water quality, including groundwater? Please describe in detail.

There is a considerable amount of solid waste in the form of chemical/metal sludge. Wayne wants to relocate (pump) the sludge from ponds #1 and #2 into part of the old CN heap pond, stating that it is lined with hypalon, and remove metals from the sludge to sell. I told him 1) he must get approval from the DMG and WQCD PRIOR to doing this, 2) I explained that the liner may be no good. It was installed in the early 70's, and it was torn around the sides indicating lack of integrity, 3) I told him again that he must get approval before doing anything with this sludge.

11. How are hazardous wastes disposed? Could this disposal practice affect water quality, including groundwater? Please describe in detail.

I am not aware of any hazardous wastes on-site.

SECTION E: MONITORING AND COMPLIANCE

12. Are the facility conditions properly reflected by the permit? Y  
if no, identify the differences:

surcharged manhole.

Is there a need for extra permit conditions? N

13. Describe the physical condition of each discharge point. Is it discharging? If so, at what flow?

Discharge 002 was discharging at 0.834 MGD on 4/20/93.

0.83400

14. Is the permittee maintaining records as required in the permit? Y

15. Are there any impoundments, land application, or ground water monitoring wells present? Is there potential ground water impact? Y  
If so, please explain in detail.

There is concern that the sedimentation ponds may be impacting state waters. Sludge removal from these ponds may compromise the clay (?) liner.

16. Flow measurement present? Y  
If so, please describe the device and outfall.

A 9" Parshall flume at discharge 002.

17. Is the effluent in compliance with the permit? N

18. Is there a compliance schedule? Y  
Is the entity meeting the compliance schedule?

Based upon DMR's there was a silver loading exceedance in December, 92. They have undertaken their first quarter WET test and passed both species. They have started a TIE (Toxicity Identification Evaluation), because of WET test failures in the past. They are late on DMR's for Jan-May, 93.

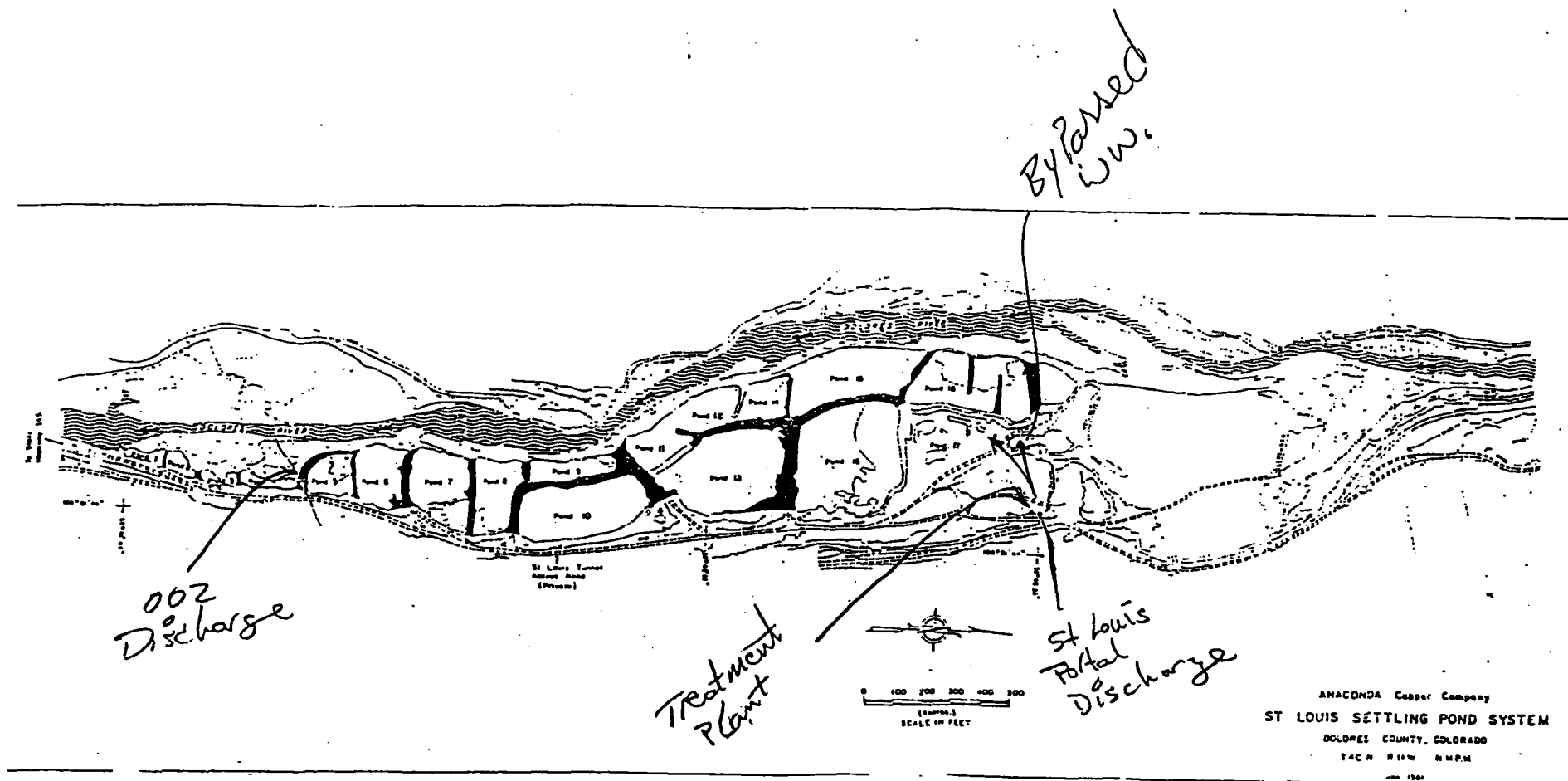
19. Receiving stream/segment/basin:

Dolores River, segment.

19. Comments:

20. Person(s) Interviewed: Mike Towne, Wayne Webster  
Title: Operator, Owner

21. CDH Engineer/Tech: James B. Horn (303) 247-5702



PART I  
Page 1e of 19  
Permit No. CO-0029793  
Figure 2: Site Sketch  
and Discharge Point 002

McMICHAEL, BURLINGAME, MULTZ & LIPTON

A PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

1580 LINCOLN STREET

SUITE 900

DENVER, COLORADO 80203

(303) 837-1580

FAX: (303) 837-8977

DONALD E. McMICHAEL  
DAVID BURLINGAME  
CARROLL E. MULTZ, P.C.  
EDWARD A. LIPTON  
DONNA A. SALMON  
DAVID L. SELL

GRAND JUNCTION OFFICE  
SENTINEL SQUARE BUILDING  
634 MAIN STREET, SUITE 100  
GRAND JUNCTION, CO 81501  
(303) 241-3111

TRANSMITTAL MEMORANDUM

via <sup>Certified mail</sup> ~~(X) Fax~~ ( ) First-class mail ( ) Federal Express

TO: Wayne Webster

FROM: D. Sell

FAX NO.: From (303) 837-8977 To \_\_\_\_\_

DATE: 6/21/93

RE: Health Dept.

TRANSMITTED HERewith PLEASE FIND:

Name of Document(s): Certified letter dated June 18,  
1993 from Colo. Dept. of health re:  
Notice of Violation.

No. of Pages (including this page): 7

COMMENTS: \_\_\_\_\_  
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